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COOPERATION DEPARTMENT

ORDER

The 29th May, 2023

No.6333—COOP-CRI-CRCS-0001/2023/Coop.— WHEREAS, Cooperative Credit Institutions are serving as one of the most organized institutional mechanisms for providing credit support to the people, mostly farmers and other under developed section of the community in Odisha, for their economic development;

And

WHEREAS, smooth and timely flow of agricultural credit from the Co-operative Credit Societies to the farmers is pivotal to enhancement of production and productivity in agriculture, thereby raising farm income;

And

WHEREAS, the Kisan Credit Card Scheme, envisages provision of agricultural credit up to Rs 3 lakhs without any security;

And

WHEREAS, the Reserve Bank of India has intimated to the Banking Institutions since 2019 to extend agricultural loan up to Rs.1.60 lakhs without any collateral;

And

WHEREAS, *inter alia*, under Section 34 of the OCS Act 1962, any member owning any land or other immovable property or having interest in any land or such property, who applies to the Society for a loan shall make a declaration in the prescribed form declaring that thereby he creates in favour of the Society a charge on such land or immovable property or his interest in any such land or property to secure the loan to be granted to him by the Society including the interest thereon;

And

WHEREAS, timely registration of the declaration of creating charge on land of farmer members by the concerned Sub-Registrars/District Registrars has not been possible due to various reasons causing inordinate delay in granting of loans to the farmers;

And

WHEREAS, seasonal agricultural operations are time-bound in nature and non-availability of timely credit support on account of delayed registration of declarations creating charge on land hampers flow of farm credit to farmers to the desired extent impacting agricultural development adversely;

And

WHEREAS, the State Government are keen to facilitate provision of timely, hassle free and cheap credit to the farmers comprising mostly small and marginal ones and for the purpose, are providing interest subventions to facilitate provision of crop loans up to Rs 1.00 lakhs at 0% interest and loans above Rs 1.00 lakhs up to Rs 3.00 lakhs at 2% interest;

And

WHEREAS, it is felt expedient that smooth, timely and hassle free flow of farm credit is key to development of agriculture and agriculturists in the State;

Now, therefore, in exercise of powers under Section 123-A of the OCS Act, 1962, the State Government do hereby direct that the Odisha State Cooperative Bank, Central Cooperative Banks, Primary Agricultural Cooperative Societies, Service Cooperative Societies, Farmers Service Cooperative Societies and the Large sized Adivasi Multi-purpose Cooperative Societies shall provide ST agricultural loans to deserving members up to Rs.1.00 lakh on furnishing of declaration in the prescribed form under rule 44-A of the OCS Rules, 1965 pending registration of the declaration by the Sub-Registrars/District Registrars within four weeks . The concerned CCBs and concerned Co-operative Societies shall pursue for such registration regularly.

By Order of the Governor

S.K.CHADHA

Principal Secretary to Government